

**GOVERNMENT OF INDIA
FINANCE AND COMPANY AFFAIRS
LOK SABHA**

UNSTARRED QUESTION NO:5742
ANSWERED ON:02.05.2003
PRICE STABILITY
ALE NARENDRA

Will the Minister of FINANCE AND COMPANY AFFAIRS be pleased to state:

- (a) whether the Government have achieved the desired price stability in the country during the Ninth Five Year Plan;
- (b) if not, the reasons therefor; and
- (c) the action proposed to be taken by the Government in this regard for the 10th Five Year Plan?

Answer

MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI ANANDRAO VITHOBA ADSUL)

(a) & (b) Yes Sir. Government achieved reasonable price stability during the Ninth Five Year Plan period (1997-2002). The annual point to point inflation rate and average inflation rate based on the Wholesale Price Index during the plan period are indicated below.

Annual Inflation Rate (%)

	Point to point Inflation rate (%) (end of the year)	Average Inflation Rate (%)
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1997-98	4.5	4.4
1998-99	5.3	5.9
1999-00	6.5	3.3
2000-01	5.5	7.2
2001-02	1.6	3.6

Average	4.7	4.9
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(1997-2002)

(c) The Tenth Five Year Plan (2002-2007) envisages price stability through effective fiscal management and expenditure control. Government's anti inflationary policies include maintaining monetary and fiscal discipline; effective management of supply and demand for essential commodities and raw materials through liberal imports, and further strengthening of the public distribution system.